

DEPARTMENTAL BUDGET INFORMATION PUBLIC LIGHTING (38)

MISSION

The mission of the Public Lighting Department is to provide reliable, economic, high quality lighting and energy services that light the streets for safety and are responsive to the needs of the citizens, businesses and visitors of the City of Detroit.

DESCRIPTION

The Public Lighting Department (PLD) is a general fund agency which operating from three main locations; Grinnell, Mistersky Power Plant, and Witkowski Operations Center. In addition to these three sites, the Department owns and operates thirty-one (31) substations throughout the City and a steam plant. Power is furnished to over 1,800 public and private customers.

In addition to producing power, the Department also serves other functions. PLD staff maintains and operates almost 87,000 street and alley lights as well as 1,200 traffic signal installations. PLD strives to achieve its goal of providing high quality energy services to customers.

CORE SERVICES

The Public Lighting Department is responsible for providing one of the City's core services: street lighting. The department has intensified efforts to provide it's customers with reliable street lighting, including main street and residential lighting. The result has been better nighttime visibility for traffic, improved traffic control and crime deterrence. Priorities continue to include response time to requests for residential lighting

improvements; replacement of poles and upgrading of lighting on main streets with inadequate or no illumination.

MAJOR INITIATIVES

The Public Lighting Department continued to modernize its entire residential street lighting system. Additional photocell control installation of the remaining circuits and residential street lighting conversions to Detroit Edison's secondary system enabled the department to maintain a 96% illumination rate and reduced circuit trouble significantly.

The department successfully negotiated a new natural gas contract with Consolidated Natural Gas for the entire city. As natural gas prices continued to rise sharply the city of Detroit enjoyed significant savings due to a fixed price ceiling associated with its new natural gas agreement.

The department successfully implemented the appropriate modifications to its generation, transmission and distribution system to become Y2K compliant. There were no service interruptions for any of the department's customers or services throughout the transition into the new millenium.

The ongoing tree trimming program continued to show results in service reliability. Overhead distribution feeder faults continued to show reductions.

The department received council approval on its transmission upgrades for the utility. Two new transmission lines will be installed

DEPARTMENTAL BUDGET INFORMATION PUBLIC LIGHTING (38)

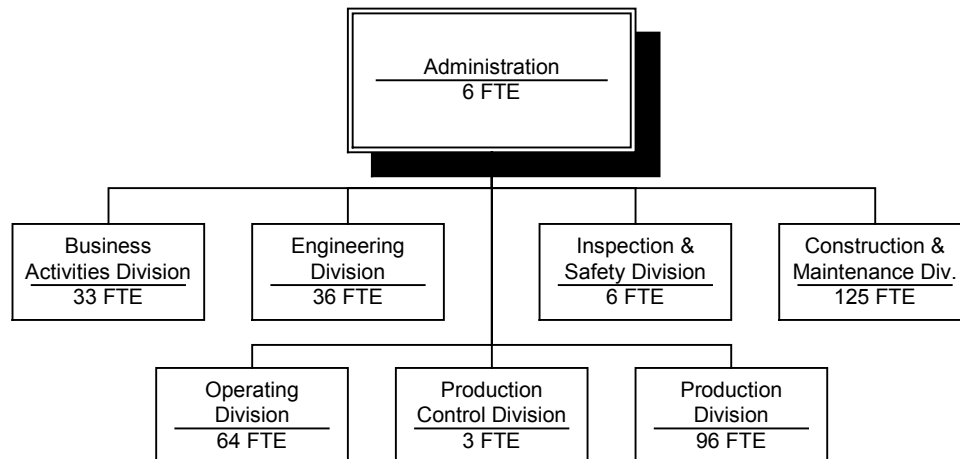
to increase the department's transmission capacity by over forty megawatts and improve the utility's reliability. This marks the first time in over fifty years that transmission capacity improvements have been made to the utility.

As it pertains to power generation, the department will seek council approval to enter into an appropriate arrangement to solidify its ability to serve customers following the evaluation of all reasonable options.

PLANNING FOR THE FUTURE

PLD is continuing to focus on its goals of providing reliable electrical power at competitive prices and subsidizing street lighting costs for the citizens of Detroit. Generation costs at the Mistersky Power Plant continue to be above purchase power rates. Distribution infrastructure upgrades are in order if the department is going to continue to improve the reliability of its system. Street lighting modernization must continue in residential neighborhoods and on main thoroughfares.

In the coming year, the Administrative Division will operate the transmission upgrades that resulted from the transmission proposal that was approved by City Council.



**DEPARTMENTAL BUDGET INFORMATION
PUBLIC LIGHTING (38)**

PERFORMANCE GOALS, MEASURES AND TARGETS

Goals: Measures	1999-00 Actual	2000-01 Projection	2001-02 Target
Provide reliable, efficient lighting: Percentage of street lighting modernized	64.3%	78.6%	92.9%
Modernize and automate the electrical system: Percentage of SCADA modernization	75%	100%	100%
Improve and maintain street lighting in the most efficient manner: Response time after a customer calls	24 hours	24 hours	24 hours
Operate and maintain PLD traffic signals in the most efficient and effective manner: Response time after traffic signal service calls	30 minutes	30 minutes	30 minutes
Produce electricity and steam at optimum levels of efficiency and economy: Average cost of energy (\$/mwh)	\$38.83	\$36.00	\$36.00

DEPARTMENTAL BUDGET INFORMATION
PUBLIC LIGHTING (38)

EXPENDITURES

	1999-00 Actual Expense	2000-01 Redbook	2001-02 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 17,393,742	\$ 17,721,182	\$ 16,684,097	\$ (1,037,085)	-6%
Employee Benefits	9,072,772	8,534,443	8,394,425	(140,018)	-2%
Prof/Contractual	1,694,616	366,300	390,000	23,700	6%
Operating Supplies	23,920,176	30,748,270	31,040,699	292,429	1%
Operating Services	7,076,817	3,740,310	4,959,745	1,219,435	33%
Capital Equipment	8,317,613	7,788,583	6,375,880	(1,412,703)	-18%
Capital Outlays	-	1,900	-	(1,900)	-100%
Fixed Charges	-	-	4,200,000	4,200,000	0%
Other Expenses	76,985	(264,904)	(397,500)	(132,596)	50%
TOTAL	\$ 67,552,721	\$ 68,636,084	\$ 71,647,346	\$ 3,011,262	4%
POSITIONS	312	364	369	5	1%

REVENUES

	1999-00 Actual Expense	2000-01 Redbook	2001-02 Mayor's Budget Rec	Variance	Variance Percent
Taxes/Assessment	\$ 174,395	\$ -	\$ -	\$ -	0%
Licenses/Permits	-	18,000	16,000	(2,000)	-11%
Rev from Use of Assets	215,199	120,000	84,000	(36,000)	-30%
Sales & Charges	60,164,754	48,529,900	51,310,000	2,780,100	6%
Contrib/Transfers	491,000	-	4,200,000	4,200,000	0%
Miscellaneous	9,692,706	7,202,000	6,490,000	(712,000)	-10%
TOTAL	\$ 70,738,054	\$ 55,869,900	\$ 62,100,000	\$ 6,230,100	11%